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C O N F I D E N T I A L JERUSALEM 001706

SIPDIS

NEA FOR IPA, NSC FOR SHAPIRO/KUMAR, JOINT STAFF FOR SELVA,
STATE PASS USAID FOR BORODIN

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TAGS: [ECON](#) [ETRD](#) [KWBG](#) [PREL](#) [GZ](#) [IS](#)
SUBJECT: ALLEGATIONS THAT THE PERMIT PROCESS FOR GAZA
DISCRIMINATES AGAINST PALESTINIAN FIRMS

Classified By: Consul General Daniel Rubinstein, for reasons 1.4 b,d.

¶1. (C) Summary. A long-standing ConGen contact and supplier of agricultural products to Gaza, Rami Sabi, has requested USG assistance to secure a permit to allow him to keep shipping to Gaza. Since June, he has been unable to secure one of two needed Israeli permits for his goods, despite the fact that Israeli suppliers apparently are able to ship the same products to the same customer in Gaza. Sabi complained to EconOffs that the cutoff of his shipments has cost him significant revenue and appears solely designed to benefit an Israeli company. End summary.

¶2. (SBU) Sabi International, headquartered in the West Bank city of Qalqiliya, has supplied agricultural products to Gaza for years. CEO Rami Sabi, a long-standing ConGen contact, told EconOffs that he routinely shipped products to Gaza until June. In June, Sabi applied for and received a 45-day Environment Permit (EP) from COGAT to ship one million USD worth of pesticides, herbicides, fungicides, micronutrients, and growth regulators for plants and crops to Gaza. Sabi procured these products from the United States, Japan, Switzerland, France, and elsewhere in Europe, and delivered them to his warehouse in Qalqiliya via the Israeli port at Ashdod. Sabi claims the permit demonstrates GOI security screening of the product, the West Bank seller, and the Gaza buyer. He notes that the products remain bottled and sealed in their original containers and in their GOI-approved sealed shipping box.

¶3. (SBU) However, in order to receive the products in Gaza, Sabi's customer, Suhail Abu Halima and Brothers, must apply for a Permit to Receive Products (PRP) from the Agriculture Coordinating Office at Erez. This permit has been denied. Sabi's efforts to seek support from COGAT have been unsuccessful to date, though he was able to obtain an extension for his EP through early October. Sabi claims that when he asks COGAT why one part of the GOI approved his shipment, only to have another branch of the same government deny it, he gets no meaningful response.

¶4. (C) Sabi reports that his buyer in Gaza, Abu Halima, continues to receive the identical agricultural products from Israeli companies. Specifically, he said the Israeli company "Miltchan" has been able to ship the same pesticide -- a prominent Japanese-based product called "Evisect S" -- to Abu Halima, while Sabi's shipments remain blocked. Sabi noted to EconOffs that his recent permitting difficulties suggest the permit system is being used to benefit Israeli commercial interests, at his expense.
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